

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Planning Department –Research Schemes - Conduct of market intelligence study of handloom products from Andhra Pradesh by Centre for Economic and Social Studies (CESS) – Administrative sanction for an amount of Rs.30.96 lakhs and release of Rs.20.00 lakhs as 1<sup>st</sup> installment – Orders – Issued.

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PLANNING (XXI) DEPARTMENT

G.O.Rt.No.897

Dated:25- 09-2013

Read the following:-

1. Proposal from Director, CESS received vide his Lr.No.CESS/332/2013-14, dt.24-09-2013.
2. G.O.Rt.No.1823, dt.04-04-2013 of Finance (Expr.GAD-II) Dept.,
3. G.O.Rt.No.2556, dt.04-07-2013 of Finance (Expr.GAD-II) Dept.,

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Andhra Pradesh is the 3<sup>rd</sup> largest producer of cotton in the country and has recognized the Textile industry as a growth engine. Handloom Textile and Cotton industry being highly labour intensive provides large scale employment opportunity to weavers and offers high potential for growth. There are about 4.34 lakh weavers and 1290 weaver co-operative societies existing in the state. The Handloom and Textiles is to be promoted keeping in view its potential as an emerging facilitator in the production of export of textiles. Despite various initiatives and incentives provided by the government, the Handloom sector is in distress and faces stiff challenges not only from the mill sector but also in the form of non availability of inputs, credit and finance, skill up-gradation, improvements in product designs, diversification of product profile and accessing multiple market channels besides APCO etc.

2. In order to ensure better planning and extend sustained budgetary support in future to the handloom sector, it is proposed to undertake a analytical study for revival of Handloom & Textile sector. The study essentially aims for suggesting measures for revival and development of handloom sector and improves the demonstrable performance of Andhra Pradesh State Handloom Weavers Cooperative Society (APCO) in a sustainable manner and providing an interface between locally available national institute like NIFT, and professional designers.

3. To achieve the above goal, CESS was requested to come up with an action plan for taking up the study to suggest measures for revival and strengthening of handloom sector including APCO in the state.

4. The Director, CESS in the reference 1<sup>st</sup> read above submitted a detailed proposal for undertaking a market intelligence study of handloom products from Andhra Pradesh with a total estimated cost of Rs.57.21 lakhs. The activities included in the proposed study are:

- a. Conducting 3 Handloom mela each for a period of 3 weeks to evaluate the market interest in the current products of the societies through a customer survey by way of
  - Study of the market or customer feedback on the handloom products
  - Study of the societies and their current capabilities (based on the interviews with the society representatives in mela, followed by personal visit to the societies)
  - Understand the impact of designs and other inputs on the handloom products/societies
  - Interface between the handloom society and faculty and from NIFT
- b. Conducting survey of societies to understand their production capacity and challenges including the inputs required to develop the products - designs, raw materials, loom upgradation etc.
- c. Survey of all the APCO showrooms to study their sales performance, inventory performance and other aspects like showroom ambience, product merchandising and staff.
- d. Secondary research of existing data including customer research, Handloom census, APCO Sales Performance over the last 3-5 years
- e. Focused group discussions with the different organizations and stakeholders in the Handloom value chain
- f. As part of the study, the free lance designers and NIFT students will interact with Societies to evaluate their products and designs during the MELA and suggest improvements and also new designs to the needy societies.

5. The CESS proposed that the cost includes Rs. 24.00 lakhs for conducting of the three melas (@Rs.8.00 lakhs per mela) borne by the Director Handlooms and Textiles, Hyderabad and the balance amount of Rs. 33.21 lakhs by the Planning department as part of the study.

6. Finance (GAD-II) Department vide reference 2nd and 3rd read above have issued Budget Release Order (BRO) for an amount of Rs.74.74 lakhs towards 1st and 2nd quarter from the Budget Estimates for the year 2013-14 under the scheme "Research Schemes".

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7. Government after careful examination of the proposal of the CESS, hereby accord administrative sanction for an amount of Rs.30.96 lakhs (Rupees thirty lakhs and ninety six thousands only) after reducing the CESS faculty cost of Rs.2.25 lakhs for conduct of the above proposed study and release an amount of Rs.20.00 lakhs (Rupees twenty lakhs only) as 1<sup>st</sup> installment.
8. The expenditure sanctioned at para 7 above shall be debited to the head of account "3451-00--101 -11-05- Research Schemes-310-312 other Grants-in-aid".
9. The Assistant Secretary to Government, Planning (Claims) Department shall draw the amount of Rs.20.00 lakhs (Rupees twenty lakhs only) in the shape of Account Payee Cheque in favour of Director, Centre for Economic and Social Studies, Hyderabad.
10. The Director, Centre for Economic and Social Studies, Hyderabad is requested to furnish the details of actual expenditure incurred after completing the study and also the utilization certificate.
11. The Director of Treasuries and Accounts, Hyderabad is requested to issue necessary authorization to Deputy Pay and Accounts Officer, Secretariat Branch, Hyderabad for the amount sanctioned above.
12. This order does not require the concurrence of the Finance Department as per the rules in vogue.

**(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)**

**SP TUCKER  
SPECIAL CHIEF SECRETARY TO GOVERNMENT**

To  
The Director  
Centre for Economic and Social Studies, Hyderabad  
Copy to  
The Secretary to Govt.,  
Industries (Handlooms) Dept., for favour of information  
The Director, Handlooms & Textiles Dept., Hyderabad  
The VC & MD, APCO, Hyderabad.  
The Assistant Secretary to Govt., Planning (Claims) Department,  
The Accountant General, AP, Hyderabad  
The Pay and Accounts Officer, Hyderabad  
The Director Treasuries and Accounts, Hyderabad  
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//FORWARDED BY ORDER//

SECTION OFFICER